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OFFICE OF MANAGEMENT AND BUDGET
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Realignment of Financial Management Policy Setting and Oversight

During their most recent meeting on December 1, 2004, the Principals of the Joint Financial Management Improvement Program (JFMIP) voted to realign JFMIP's responsibilities for financial management policy and oversight. This realignment assures that the Federal Government carries out its financial management policy and oversight responsibilities in accordance with statutory requirements.

Under the new structure, the JFMIP Program Management Office (PMO), which certifies financial management software, will report to a new Chief Financial Officers Council (CFOC) committee to be chaired by the Chief of OMB's Office of Federal Financial Management (OFFM), Federal Financial Systems Branch. Other current JFMIP functions will be assumed by OFFM, the Office of Personnel Management, and the CFOC. The Principals will continue to meet at their discretion, although the JFMIP will cease to exist as a standalone organization.

"The new structure will eliminate duplicative roles and streamline financial management improvement efforts. This action reflects our recommitment to the important financial management improvement work that has been done by JFMIP over the years and that will continue with the benefit of a CFO Act organization structure," said OMB Controller Linda Springer.

The JFMIP was formed as a voluntary effort by the heads of those entities required to conduct a program for improving the government's accounting and financial reporting under the Budget and Accounting Procedures Act of 1950. The subsequent Chief Financial Officers (CFO) Act of 1990, however, created both OFFM and the CFOC, providing the broader mandate for improving financial management within the Federal Government.

The process of transitioning the core JFMIP and PMO staff will begin immediately and is expected to be completed within four to six months.

For more information, please contact OMB Communications at 202-395-7254.

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